

**CENTRAL REGION  
LARGE COW/CALF BUDGET 2024**

	BREED HERD SIZE CULL RATE	333 15%	COW to BULL	20	CALF CROP PERCENT <sup>1</sup> REPLACEMENT HEIFER'S KEPT	85% 50
<b>VALUE OF PRODUCTION</b>						
	<u>QUANTITY</u>	<u>WEIGHT</u>	<u>PRICE<sup>2,3</sup></u>	<u>VALUE</u>	<u>VALUE PER COW</u>	
STEER CALVES	141	515	\$2.41	\$175,390	\$527.49	_____
HEIFER CALVES	91	495	\$2.18	\$98,670	\$296.75	_____
CULL COWS	50	900	\$1.22	\$54,763	\$164.70	_____
CULL BULLS	1	1200	\$1.35	\$1,620	\$4.87	_____
<b>TOTAL</b>	<b>284</b>			<b>\$330,443</b>	<b>\$993.81</b>	_____
<b>VARIABLE COSTS</b>						
	<u>UNITS</u>	<u>QUANTITY/PERCENT</u>	<u>PRICE</u>	<u>COST</u>	<u>VALUE PER COW</u>	
<b>1. FEED COSTS</b>						<u>NEW VALUE</u>
HAY	TON	66.50	\$203	\$13,500	\$40.60	_____
STATE	AUY	20.0%	\$29.10	\$0	\$0.00	_____
FEDERAL LEASE	AUY	40.0%	\$16.20	\$5,387	\$16.20	_____
PRIVATE(Owned)	AUY	40.0%	\$0.00	\$0	\$0.00	_____
PRIVATE(Leased Grazing)	AUY	0.0%	\$0.00	\$0	\$0.00	_____
SALT & MINERAL	TON	6.00	\$710	\$4,260	\$12.81	_____
PROTEIN SUPP	TON	11.00	\$515	\$5,665	\$17.04	_____
OTHER		0.00	\$0	\$0	\$0.00	_____
<b>TOTAL</b>				<b>\$28,811</b>	<b>\$86.65</b>	_____
<b>2. OTHER VARIABLE COSTS</b>				<u>COST</u>		<u>NEW VALUE</u>
VET AND MEDICINE				\$4,821	\$14.50	_____
LIVESTOCK HAULING				\$1,347	\$4.05	_____
HIRED LABOR				\$12,000	\$36.09	_____
OPERATING COSTS-EQUIP & MACH				\$2,044	\$6.15	_____
OPERATING COSTS-VEHICLE				\$2,650	\$7.97	_____
RANCH MAINTENANCE				\$3,448	\$10.37	_____
MARKETING COST <sup>7</sup>				\$6,609	\$19.88	_____
PURCHASED LIVESTOCK				\$12,000	\$36.09	_____
<b>TOTAL</b>				<b>\$44,919</b>	<b>\$135.10</b>	_____
<b>3. INTEREST ON VARIABLE COSTS</b>						<u>VALUE PER COW</u>
SUM OF VARIABLE COSTS X MONTHS BORROWED						
X INTEREST RATE PER MONTH						
ANNUAL INTEREST RATE				9.25%		
NUMBER OF MONTHS BORROWED				6		
				\$3,410	\$10.26	_____
<b>TOTAL</b>				<b>\$77,141</b>	<b>\$232.00</b>	_____
<b>TOTAL</b>				<b>\$253,302</b>	<b>\$761.81</b>	_____
<b>OWNERSHIP COSTS</b>						
	Annual Capital Recovery <sup>4</sup> (At Replacement Valve):			Represents 65% Asset Ownership <sup>5</sup> VALUE PER COW NEW VALUE		
<b>CASH COSTS</b>						<u>NEW VALUE</u>
Taxes & Insurance				\$10,738	\$32.29	_____
Overhead				\$4,500	\$13.53	_____
<b>Total</b>				<b>\$15,238</b>	<b>\$45.83</b>	_____
<b>NON CASH COSTS</b>						<u>NEW VALUE</u>
Purchased Livestock				\$16,448	\$49.47	_____
Machinery & Equipment				\$10,323	\$31.05	_____
Housing & Improvements				\$51,804	\$155.80	_____
Interest on Retained Livestock <sup>6</sup>				\$18,705	\$56.26	_____
Management & Operation Labor ( 6% of gross returns)				\$19,827	\$59.63	_____
<b>Total</b>				<b>\$117,106</b>	<b>\$352.20</b>	_____
<b>TOTAL FIXED COSTS</b>				<b>\$132,344</b>	<b>\$398.03</b>	_____
<b>TOTAL CASH AND VARIABLE COSTS</b>				<b>\$92,378</b>	<b>\$277.83</b>	_____
<b>TOTAL COSTS</b>				<b>\$209,485</b>	<b>\$630.03</b>	_____
<b>RETURN ABOVE TOTAL CASH COSTS</b>				<b>\$238,065</b>	<b>\$715.98</b>	_____
<b>RETURN ABOVE TOTAL COSTS</b>				<b>\$120,958</b>	<b>\$363.78</b>	_____
<b>BREAKEVEN CALCULATIONS</b>						
	<b>VARIABLE COSTS</b>	<b>TOTAL COSTS</b>				
REQUIRED AVG. CALF PRICES CASH COST (cwt)	\$54.05	\$64.72				
REQUIRED AVG. CALF PRICES TOTAL COSTS(cwt)	\$54.05	\$146.77				

1) Calf crop is defined as the actual number of calves sold divided, by the total number of cows (assuming all cows were exposed).

2) Prices represent 2024 price Belen Livestock Auction.

3) Market prices include commissions, brand inspections, beef council, yardage, feed, and insurance

4) Annual capital recovery is the method of calculating depreciation and interest recommended by the National Task Force on Commodity Costs and Returns Measurement Methods.

5) The 35% reduction in asset values which represent a mix of new and used machinery.

6) Interest on average investment.

7) Marketing cost includes commissions, band inspections, beef council, yardage, feed and insurance at 3% on all animals sold.

**CENTRAL MOUNTAIN REGION  
LARGE RANCH INVESTMENTS**

<b>Number</b>	<b>Land Values</b>	<b>Price Per Unit</b>	<b>10 Yr Avg Rate of Return</b>	<b>Purchase Price</b>	<b>Salvage/Cull Value</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
10,000	Acres of private land	\$800	5.8%	\$8,000,000	\$8,000,000			\$1,550.00
449	AU Values <sup>1</sup>	\$3,000	5.8%	\$1,346,625	\$1,346,625			
<b>Sub Totals</b>				\$9,346,625				
<b>Number</b>	<b>Buildings, Improvements</b>	<b>Price Per Unit</b>	<b>10 Yr Avg Rate of Return</b>	<b>Purchase Price</b>	<b>Salvage/Cull Value</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
4	Miles of pipeline	\$4,000	5.8%	\$16,000	\$1,600	25	100	\$1,192
2	Wells	\$20,000	5.8%	\$40,000	\$4,000	25	100	\$2,980
40	Miles of Fence	\$15,000	5.8%	\$600,000	\$60,000	25	100	\$44,694
1	Corrals/Working Facilities	\$5,000	5.8%	\$5,000	\$500	30	100	\$347
1	Barns & Shop	\$15,000	5.8%	\$15,000	\$1,500	30	100	\$1,041
<b>Sub Totals</b>				\$676,000				\$51,804
<b>Number</b>	<b>Machinery &amp; Vehicles</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
1	3/4 ton pickup 4WD	\$35,000	4.5%	\$35,000	\$7,000	7	50	\$2,533
1	1 ton pickup 4WD	\$35,000	4.5%	\$35,000	\$7,000	7	50	\$2,533
1	Tractor	\$5,000	4.5%	\$5,000	\$1,000	7	100	\$724
2	Gooseneck trailer	\$6,500	4.5%	\$13,000	\$2,600	7	100	\$1,882
1	Horse tack	\$6,500	4.5%	\$6,500	\$1,300	10	100	\$716
1	Misc. equipment	\$3,500	4.5%	\$3,500	\$700	10	100	\$385
<b>Sub Total</b>				\$98,000				\$10,323
<b>Head</b>	<b>Purchased Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate<sup>3</sup></b>	<b>Price</b>	<b>Salvage/Cull</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
10	Horses	\$4,000	4.5%	\$40,000	\$15,200	10	100	\$3,818
17	Bulls	\$4,000	4.5%	\$66,500	\$25,270	4	100	\$12,630
<b>27</b>	<b>Total AUUs</b>							
<b>Sub Total</b>				\$106,500				\$16,448
<b>Head</b>	<b>Retained Livestock</b>	<b>Price Per Unit</b>	<b>Interest Rate</b>	<b>Price</b>	<b>Salvage/Cull</b>	<b>Useful Life</b>	<b>Livestock Share</b>	<b>Annual Capital Recovery</b>
333	Cows	\$1,393	4.5%	\$463,173	\$176,006			\$16,436
50	Replacement Heifers	\$1,282	4.5%	\$63,940	\$24,297			\$2,269
<b>370</b>	<b>Total AUUs</b>							
<b>Sub Total</b>				\$527,112	\$200,303			\$18,705
<b>Total</b>				<u>\$10,754,237</u>				<u>\$80,832</u>

1) The interest rate of 5.75 used to calculate the capital recovery cost is the USDA-ERS's ten year average long-run rate of return to production assets for United States.

2) For intermediate assets an interest rate of 4.50% was used.

3) A rate of 4.50 percent reflects a typical return on a low -risk investment (20 YR Treasury Bond)